

TO: All Assessing Officers

No. 10 - July 11, 1988  
Exemption - School District  
Property

FROM: Property Tax Division  
Department of Treasury

STATE OF MICHIGAN

FRANK J. KELLEY, ATTORNEY GENERAL

SCHOOLS AND SCHOOL DISTRICTS: Exemption of unused school  
district property from  
taxation

TAXATION: Exemption of unused property  
of school district

Real property owned by a school district and not used for a  
private purpose is exempt from general ad valorem taxation.

Opinion No. 6512

APR 20 1988

Honorable R. Robert Geake  
State Senator  
The Capitol  
Lansing, Michigan 48909

You have requested my opinion on a question that may  
be paraphrased as follows:

Is real property owned by a school district  
and not used for any purpose exempt from  
general ad valorem taxation?

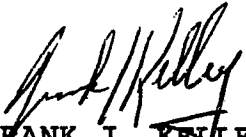
Section 1141(1) of the School Code of 1976, MCL  
380.1141(1); MSA 15.41141, provides:

"The property of a school district is  
exempt from taxation, provisions of other  
acts to the contrary notwithstanding,  
except that property owned by the school  
district that is used for private purposes  
for more than 2 years is not exempt from  
taxation as long as the private use con-  
tinues beyond the 2-year period."

From the above, it is clear that property owned by a school district enjoys an exemption from taxation. The only exception to that exemption is when the property is used for a private purpose for more than two years. If the property is used for a private purpose for more than two years, then it becomes subject to taxation after the two year period has run.

In the instant case, the property is not being used for a private purpose. As such, the property retains its exemption. See, 2 OAG 1958, No 3336, p 290 (November 7, 1958).

It is my opinion, therefore, that real property owned by a school district and not used for a private purpose is exempt from general ad valorem taxation.

  
FRANK J. KELLEY  
Attorney General